

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: UNITED KINGDOM

JULY-DECEMBER 1992

Meetings and press releases October 1992

| Meeting number | Subject | Date |
|-----------------------|-------------------|--------------------|
| 1605 th | General Affairs | 5-6 October 1992 |
| 1606 th | Research | 12 October 1992 |
| 1607 th | Economics/Finance | 19 October 1992 |
| 1608 th | Fisheries | 19 October 1992 |
| 1609 th | Environment | 20 October 1992 |
| 1610 th | Agriculture | 26-27 October 1992 |
| 1611 th | Transport | 26 October 1992 |

PRESS RELEASE

8858/92 (Presse 169)

1605th Council meeting

- GENERAL AFFAIRS -

Luxembourg, 5 and 6 October 1992

Presidents: Mr Douglas HURD,
Secretary of State
for Foreign and Commonwealth Affairs

Mr Tristan GAREL-JONES,
Minister of State
for Foreign and Commonwealth Affairs

of the United Kingdom

5/6.X.92

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Willy CLAES Deputy Prime Minister
Minister for Foreign Affairs

Denmark:

Mr Uffe ELLEMANN-JENSEN Minister for Foreign Affairs
Mr Jorgen ØRSTRØM MØLLER State Secretary for Foreign Affairs

Germany:

Mr Klaus KINKEL Federal Minister for Foreign Affairs
Mr Jürgen W. MÖLLEMANN Federal Minister for Economic Affairs
Mrs Ursula SEILER-ALBRING Minister of State, Foreign Affairs

Greece:

Mr Michel PAPACONSTANTINO Minister for Foreign Affairs
Mr George PAPASTAMKOS State Secretary for Foreign Affairs

Spain:

Mr Javier SOLANA MADARIAGA Minister for Foreign Affairs
Mr Carlos WESTENDORP State Secretary for Relations with the
European Communities
Mr Miguel Angel FEITO State Secretary for Trade
HERNANDEZ

France:

Mrs Elisabeth GUIGOU Minister for European Affairs
Mr Dominique STRAUSS-KAHN Minister for Industry and Foreign Trade

Ireland:

Mr Tom KITT Minister of State with Special responsibility
for European Affairs

Italy:

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| Mr Emilio COLOMBO | Minister for Foreign Affairs |
| Mr Claudio VITALONE | Minister for Foreign Trade |
| Mr Valdo SPINI | State Secretary for Foreign Affairs |

Luxembourg:

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| Mr Jacques F. POOS | Minister for Foreign Affairs |
| Mr Georges WOHLFART | State Secretary for Foreign Affairs and Foreign Trade |

Netherlands:

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| Mr Hans VAN DEN BROEK | Minister for Foreign Affairs |
| Mr Piet DANKERT | State Secretary for Foreign Affairs |
| Mrs Y.C.T. VAN ROOY | State Secretary for Economic Affairs |

Portugal:

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| Mr João PINHEIRO | Minister for Foreign Affairs |
| Mr Vitor MARTINS | State Secretary for European Integration |

United Kingdom:

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| Mr Douglas HURD | Secretary of State for Foreign and Commonwealth Affairs |
| Mr Tristan GAREL-JONES | Minister of State, Foreign and Commonwealth Office |
| Baroness CHALKER | Minister for Overseas Development |
| Mr Richard NEEDHAM | Minister of State, Department of Trade and Industry |

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Commission:

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| Mr Jacques DELORS | President |
| Mr F.H.J.J. ANDRIESSEN | Vice-President |
| Mr Manuel MARIN | Vice-President |
| Mr Abel MATUTES | Member |

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Before turning to the agenda, the Council made the following declaration on the air disaster at Amsterdam.

"Ministers and the President of the Commission express their profound sense of shock at the tragic loss of life and injuries incurred in the air disaster at Amsterdam yesterday evening. They extend their deepest sympathy to the Governments and peoples of the Netherlands and Israel and especially to the families of the victims."

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PREPARATION FOR THE EUROPEAN COUNCIL MEETING IN BIRMINGHAM

The Council held an exchange of views on preparation for the Birmingham European Council. The Presidency made known its intention of abiding by the conclusions of the New York Council as regards pursuit of the ratification process and the conclusions of the ECOFIN Council on the need for reflection and analysis in the light of developments in capital markets and the European and World Monetary Systems.

In addition to confirming these commitments, the European Council should chiefly deal with three subjects on which recent public discussion has shown up the need for clarification:

- openness and transparency of the Community's decision-making procedures
- practical implementation of the principle of subsidiarity
- positive effects of the Maastricht Treaty on people's daily lives.

FUTURE FINANCING OF THE COMMUNITY

The Council had a useful discussion on the Delors II Package. There was a clear determination to meet the target of agreement at Edinburgh set by the Lisbon European Council. The analytical phase of work, which had permitted some narrowing of the gap between positions, was to all intents and purposes now concluded. The Presidency and delegations had to take careful account of all the points made during today's discussions. COREPER would continue working on the dossier. The Presidency would table a negotiating paper in mid-October, which Foreign Ministers would be able to discuss at their meeting in November. Finally, the President noted that there was agreement on the need for the Council and the Commission to maintain contacts with the European Parliament, in particular as regards a new Interinstitutional Agreement.

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SUBSIDIARITY

1. The Council had a thorough discussion of ways and means of ensuring an effective implementation of the principle of subsidiarity in general and Article 3b of the new Treaty in particular. The Council concentrated its debate on procedural aspects on the basis of a report from COREPER, while noting that procedure was only one aspect of the effort to be deployed in this area.
2. The Council invited COREPER to pursue its examination and report to the General Affairs Council on November 9 on procedure as well as on other aspects of the implementation of Article 3b, including the question of guidelines for the application of this Article. This examination will take place in the light of today's debate and the discussion to be held in the European Council in Birmingham on 16 October 1992. The memorandum recently submitted by the German delegation will also be examined in this context.
3. The Council underlined the importance of the action of all institutions for the effective implementation of the subsidiarity principle. It welcomed the steps taken by the Commission in this respect.

The Council recalled its invitation to the European Parliament to examine the application of the subsidiarity principle. The Presidency will pursue the issue with the Parliament in interinstitutional contacts with the Parliament and the Commission.

WISEGRAD 3: PREPARATION FOR THE INFORMAL MINISTERIAL MEETING

The Council prepared for the meeting between the Ministers for Foreign Affairs of the European Community and of the Visegrad countries - Hungary, Poland, Czechoslovakia -, which took place today and of which the Joint Statement is contained in Press Release 9033/92 Presse 170.

FOLLOW-UP TO THE CONCLUSIONS OF THE EUROPEAN COUNCIL IN LISBON ON ENLARGEMENT

= EFTA country candidates for accession: Commission opinion concerning Austria and Sweden

In the light of the conclusions of the Lisbon European Council and discussions held since, the Council held an exchange of views on the progress of the preparations for the enlargement negotiations concerning the EFTA countries seeking membership of the European Union. In so doing, it was able to draw on the Commission's opinions on Austria's and Sweden's applications for accession and on a report from the Permanent Representatives Committee concentrating on the "Union's general negotiation framework".

Following this exchange of views the Council:

- welcomed the Commission's positive overall assessment of the applications for accession submitted by Austria and Sweden;
- took note of the fact that the Commission intended to submit, by the Council's next meeting in early November 1992, its opinion on Finland's application, to be followed by its opinion on Switzerland's application;
- took cognizance of the key components of the "Union's general negotiation framework" that had already been identified;
- instructed the Permanent Representatives Committee to press on with the preparations for the enlargement negotiations concerning the EFTA countries seeking membership of the European Union and in particular to continue work on the "Union's general negotiation framework" under the conditions defined by the Lisbon European Council, whereby official negotiations are to be opened immediately after the Treaty on European Union has been ratified and agreement has been reached on the Delors II Package.

= Relations with Cyprus, Malta and Turkey

In connection with the relevant conclusions of the Lisbon European Council, the Council:

- in noting that the Commission envisages issuing its opinions on the applications for accession by Cyprus and Malta as soon as possible, recalled that relations with these two countries will be developed and strengthened by building on the association agreements and their application for membership and by developing the political dialogue;
- in underlining the importance of the meeting of the EEC-Turkey Association Council on 9 November 1992 and in urging all concerned Parties to work to ensure its success, recalled that there is every reason to intensify co-operation and develop relations with Turkey in line with the prospect laid down in the Association Agreement of 1964 including a political dialogue at the highest level.

RELATIONS WITH THE FORMER USSR

The Council authorized the Commission to open negotiations with a view to the conclusion of partnership and co-operation agreements with the independent States of the former USSR and adopted negotiating directives for that purpose.

These Agreements are intended to establish close political and economic relations between the Community and each of the 12 Republics of the former USSR and will cover a vast range of areas, including in particular trade, economic and financial co-operation, political dialogue and cultural co-operation.

The Commission intends rapidly to initiate negotiations with a first group of Republics.

FORMER YUGOSLAVIA

The Community and its Member States adopted the declaration in the Annex.

GATT: URUGUAY ROUND

The Council agreed that there is still an urgent need for a GATT agreement. Bilateral and multilateral contacts have brought agreement close. A final effort is now needed in order to meet our objective of concluding negotiations by the end of the year. The Council welcomes plans for a high-level meeting between the Commission and the United States. The Commission has received clear advice from the Council. It should continue to negotiate constructively in Geneva for a comprehensive, global and balanced agreement and report to the Birmingham European Council.

ASSOCIATION AGREEMENTS WITH ROMANIA AND BULGARIA

The Council agreed on the Community's agricultural offer for the Europe Agreement negotiations with Romania and Bulgaria and confirmed the importance it attached to bringing these negotiations to a speedy conclusion.

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SOMALIA: REPORT FROM THE PRESIDENT OF THE DEVELOPMENT COUNCIL ON THE TROIKA VISIT

The Council heard reports on the visit of the Troika of Development Ministers to Somalia and from the Commission, following a similar visit, and reiterated its extreme concern at the situation there.

It expressed its support for UN action in Somalia and appeals to other donors to join with the Community and its Member States in increasing the volume of international aid.

The Community will participate actively in the discussion to be held in Geneva on 12 and 13 October on the UN's proposed "100 days plan" and will encourage an improved response from UN agencies to the leadership of Ambassador SAHNOUN.

The Council welcomed the Commission's decision to establish a Somalia cell in its Nairobi delegation and invites it to keep under close review the possible relocation of the cell to Mogadishu in the light of the developments on the ground.

Finally, it requested the Development Council on 18 November to review the situation in Somalia, particularly in the light of the UN Conference and to consider further Commission proposals concerning increased flexibility in financing disaster and subsequent rehabilitation needs.

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RENEWAL OF THE MFA AND MFA BILATERAL TEXTILE AGREEMENTS - COUNCIL CONCLUSIONS

1. The Council held a wide-ranging policy debate on the overall context against which it has had to contemplate the renewal of the MFA bilateral textile agreements between the Community and certain third countries.
2. It reiterated the Community's objective of concluding the Uruguay Round negotiations as soon as possible, especially in order to open third markets and to establish a reliable long-term framework for world trade in textiles and for the future structural adjustment of the Community textile industry.
3. In this context the Council reaffirmed the importance, for the final assessment of the Uruguay Round results, of achieving satisfactory progress in other areas relevant for trade in textiles, notably market access, anti-dumping, anti-subsidy, safeguard action and protection of intellectual property. The Council expressed serious concern as regards the damage to the interests of the Community industry caused by unfair pricing practices, infringements of intellectual property rights and counterfeiting.
4. The Council and the Commission also expressed serious concern about the fact that circumvention of quotas has become a major problem in the management of bilateral agreements. The Council reaffirms the need to commit the necessary resources to combating textiles fraud and ensuring compliance with anti-fraud provisions in bilateral textile agreements. The Council agreed on the need to fight unfair competition, and noted that it will be considering Commission proposals to reform the EC's trade policy instruments.
5. Taking full account of the impact of these various factors, and pending a successful outcome to the Uruguay Round negotiations, the Council approved a Decision authorizing the Commission to negotiate the extension of the Arrangement regarding international trade in textiles (MFA) and the renewal of the MFA bilateral textile agreements with certain third countries.

COMMUNITY INSTRUMENTS OF COMMERCIAL DEFENCE

The Council heard a presentation by Vice-President ANDRIESEN of the Commission proposal on harmonization and streamlining of decision-making procedures for Community instruments of commercial defence.

It took note of delegations' initial comments on this subject and instructed the Permanent Representatives Committee to ensure that the matter was discussed speedily and fully so that discussions could be resumed and the Council could take a decision.

US - STEEL - ANTI-DUMPING AND COUNTERVAILING DUTY ACTIONS -

COUNCIL CONCLUSIONS

The Council has taken note with grave concern of the numerous anti-dumping and countervailing duty cases filed in the United States against steel imports, and of the recent announcement by the United States Department of Commerce of preliminary determinations in their investigations concerning Community exports of leaded steel bars to the United States. The imposition of these duties in the current steel trading climate will disrupt exports of these products from certain Member States.

The Council considers that the action brought by the US steel industry is unwarranted in the current steel trade climate and it will continue to monitor the situation closely to ensure that international trade rules are fully respected.

The Council reserves the right, if appropriate, to refer the matter to the GATT.

The Council advocates an early resumption of the Multilateral Steel Arrangement discussions in order to eliminate all tariff and non-tariff barriers as well as other distortive measures for steel trade.

BANANAS

The Council had a policy debate on the Commission proposal for the Community arrangement for bananas after 1992, at the end of which the President drew the following conclusions:

Different views were expressed on key issues relating to the completion of the Single Market for bananas, notably the need for, and content of, a common organization of the market, bearing in mind the interests of producers and consumers.

The importance was stressed of honouring fully the Community's existing trade commitments, including its obligations under Lomé.

As to the ways and means of reconciling these commitments with current GATT obligations and a successful conclusion of the Uruguay Round, views are divided. Member States must now reflect further on their positions in view of the tight timetable.

Work on all these issues will continue in the competent bodies. The Presidency undertakes to reflect, in the light of Member States' views, on the future involvement of the Agriculture Council and the General Affairs Council.

The Council will do everything possible to bring this dossier to a conclusion by the end of this year. To this end, the Council calls upon the Commission to bring forward the related proposals to complete the basis for discussion as soon as possible.

MISCELLANEOUS DECISIONS

Trade policy

The Council adopted the Decision authorizing extension or tacit renewal of certain trade agreements concluded between Member States and third countries.

Commodities

The Council adopted the Decision on the conclusion of the 1989 International Agreement on Jute and Jute Products on behalf of the Community and its Member States.

Operation of EURATOM safeguards:

The Council adopted the following conclusions:

"In the light of the general approach adopted by the Community on nuclear non-proliferation ⁽¹⁾, having regard to the conclusions adopted by the Council on 21 December 1990, and having taken note of the second Commission Report (1989-1990) on the operation of EURATOM safeguards, which provides a comprehensive survey of its activities in the civil nuclear fuel cycle, the Council:

REAFFIRMS the importance of the wide-ranging safeguards activities carried out by the Commission as provided in the Chapter VII of the EURATOM Treaty and the need for consistent application of existing rules of both the Community and International level;

EXPRESSES its satisfaction at the positive results obtained during the period under consideration and in particular takes note of the Commission's assurances that it has not detected any diversion from the intended use;

STRESSES the need to continue to ensure the high level of safeguards for the future in the Community, taking into account, in particular, the development of the use of plutonium-bearing fuel in light water reactors and fast breeder reactors, which involves a considerable increase in the use of recycled plutonium;

ENCOURAGES the Commission to continue to implement efficient EURATOM safeguards through the adaptation of its methods and techniques in modern, fully automated fabrication and reprocessing installations of the nuclear fuel cycle;

(1) As outlined in the statement annexed to the Presidency's conclusions at the close of the discussions of the European Council in Dublin.

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AGREES with the option taken by the Commission to develop safeguards approaches based on highly unattended and/or process-integrated systems wherever possible in order to make best use of resources and to reduce occupational radiation exposure for both plant personnel and inspectors;

UNDERLINES the need to maintain a full and proper co-operation with the International Atomic Energy Agency (IAEA) in order to carry out inspection activities under the existing Safeguards Agreements in the most efficient way and in particular, as envisaged in the ongoing negotiation on a new partnership approach with the IAEA, to avoid any unnecessary duplication of inspection effort;

RECOGNIZES that EURATOM's safeguards activities are a major contribution to the achievement of the objectives of safeguards agreements between the IAEA, EURATOM and its Member States and constitute a good basis from which experience can be drawn, put into practice and implemented at international level in both new safeguards concepts and modern safeguards equipment and technology."

Brussels, 5 October 1992

DECLARATION ON FORMER YUGOSLAVIA

The Community and its Member States fully support the continuing efforts of Lord Owen and Mr Vance to bring about a cessation of hostilities and a peaceful settlement. Despite these efforts, widespread violence and cruelty, the slaughter and deliberate deprivation of civilians, savage breaches of international humanitarian law and military aggression persist in many areas. The Community and its Member States are pressing for urgent action in the United Nations for the implementation of agreements reached in the London Conference, including a no-fly zone in Bosnia-Herzegovina, and subsequent agreements such as the demilitarisation of the Prevlaka peninsula. They are actively involved in steps to secure the deployment of protected humanitarian convoys, the tightening of sanctions measures, the release of detainees, and the closure of detention camps and the supervision of heavy weapons.

The increasing evidence of atrocities, including mass killings and ethnic cleansing, principally by Serbian groups, must be collected systematically and investigated. The Community and its Member States support the action in hand in the United Nations to establish a mechanism for the collection of data and a commission of experts to assist the Secretary-General in the analysis of the evidence. The perpetrators of mass killings and other grave breaches of international humanitarian law will be held individually responsible for their actions and the Community and its Member States will co-operate with the United Nations and the relevant bodies in ensuring that justice is done.

Another major international relief effort is urgently required to avoid an even greater human tragedy as winter approaches. The resumption of the humanitarian airlift is warmly welcomed. UNHCR and the ICRC are doing invaluable work in all areas and will need even more generous support in the coming weeks in response to the United Nations Secretary-General's appeal. The Community and its

Member States have contributed substantially to current efforts and are making available increased resources, particularly to cover housing needs. They call upon the international community to make a commensurate response to alleviate the desperate suffering of the population and the refugees of the former Yugoslavia.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

9036/92 (Press 173)

1606th Council meeting

- RESEARCH -

Luxembourg, 12 October 1992

President: Mr William WALDEGRAVE

Chancellor of the Duchy of Lancaster,
Minister for Public Service and Science

12.X.92

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Jean-Maurice DEHOUSSE Minister for Science Policy and
Scientific and Cultural Institutions

Denmark:

Mr Bertel HAARDER Minister for Education and Research

Germany:

Mr Heinz RIESENHUBER Federal Minister for Research and Technology

Greece:

Mr Ioannis PALAIOKRASSAS Minister for Research

Spain:

Mr Elias FERERES State Secretary for the Universities and
Research

France:

Mr Hubert CURIEN Minister for Research and Space

Ireland:

Mr Michael AHERN Minister of State at the Department of
Industry and Commerce with special
responsibility for Science and Technology

Italy:

Mr Rocco Antonio CANGELOSI Deputy Permanent Representative

Luxembourg:

Mr René STEICHEN Minister responsible for Scientific Research

Netherlands:

Mr J.E. ANDRIESSEN Minister for Economic Affairs

Portugal:

Mr Luis VALENTE DE OLIVEIRA Minister for Planning and Territorial
Administration

United Kingdom:

Mr William WALDEGRAVE Chancellor of the Duchy of Lancaster,
Minister for Public Service and Science
Mr Robert JACKSON Parliamentary Secretary, Office of
Public Service and Science

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Commission:

Mr Filippo Maria PANDOLFI Vice-President

SUPPLEMENTARY FINANCING OF THE FRAMEWORK PROGRAMME OF RESEARCH AND TECHNOLOGICAL DEVELOPMENT (RTD) (1990-1994)

Following a policy debate, the Council:

- took note of the Commission's proposal for a Council Decision concerning supplementary financing of the third Framework Programme;
- recognized that there was likely to be a decrease in the level of Framework Programme funding towards the end of the third Framework Programme and that this would threaten the continuity of Community research activities;
- agreed therefore that, in principle, some financial supplement to the third Framework Programme could be appropriate in order to ensure continuity of Community R&D activities, subject to the definition of the financial perspectives for 1993-1997;
- stressed the importance of maintaining continuity within the established objectives of the third Framework Programme and its specific programmes;
- noted the need to reflect as far as possible the existing proportional balance between activities established within the Framework Programme and agreed that further work was necessary before the December Council to identify those programmes of particular value which face specific funding problems;
- invited the Presidency to seek agreement to a distribution which respects this balance more closely whilst taking due account of areas of particular need;
- considered that a decision on the financial supplement was needed as rapidly as possible and that there should be no delay to discussion of the Commission's proposal for a fourth Framework Programme;
- invited therefore the Permanent Representatives Committee to continue work

on the Commission's proposal, taking into account the present conclusions and the procedural aspects, so as to enable Council to reach an agreement by the end of the year;

- agreed that the Presidency should pursue contacts, as appropriate, with the representatives of the European Parliament and the Commission, so as to facilitate an early decision on a financial supplement.

EVALUATION OF THE SECOND FRAMEWORK PROGRAMME OF RTD (1987-1991)

The Council noted with satisfaction the report from the Scientific and Technical Research Committee (CREST) evaluating the second Framework Programme.

The Council considered that the report should be taken into account when the future priorities for Community RTD activities came to be decided on.

The Council stressed the need for independent evaluations of Community RTD programmes at regular intervals.

FOURTH RTD FRAMEWORK PROGRAMME (1994-1998)

The Council heard a statement by Vice-President PANDOLFI on the working document recently forwarded to the Council by the Commission on the fourth RTD Framework Programme.

The Council agreed to hold a policy debate on the matter at its December meeting.

CO-OPERATION ON SCIENCE AND TECHNOLOGY WITH THE COUNTRIES OF CENTRAL AND EASTERN EUROPE

The Council heard a statement by Vice-President PANDOLFI on recent developments in ST co-operation between the Community and the countries of Central and Eastern Europe.

MISCELLANEOUS DECISIONS

Fisheries

The Council authorized the Commission to negotiate the termination by mutual consent of the Fisheries Agreements of the former German Democratic Republic with the Faroe Islands and Norway.

These Agreements, due to expire on 31 March 1997 (with the Faroe Islands) and on 31 December 1996 (with Norway) chiefly involve a quota exchange between cod and herring or whiting.

The Council also adopted:

- the Regulation allocating between Member States the new catch quota (8 500 instead of 6 500 tonnes) for "Other Species" allocated to the Community in Norwegian waters south of 62°N for 1992 under Regulation No 3884/91;
- amending regulation No 3882/91 in respect of the Community's fishing possibilities for Arctic cod for 1992 further to the decision of the Joint Norwegian-Russian Fisheries Commission to increase the TAC in question from 300 000 to 356 000 tonnes.

Anti-dumping

The Council adopted Regulations amending Regulations (EEC):

- No 1798/92 in respect of the definitive anti-dumping duty on certain imports of monosodium glutamate originating, inter alia, in Indonesia and the Republic of Korea (amendment of the list of companies exempt);
- No 2112/90 imposing a definitive anti-dumping duty on imports of certain types of electronic microcircuits known as DRAMs (dynamic random access memories) originating in Japan and collecting definitively the provisional duty (mainly amending the Annexes as regards the lists of companies exempt).

Relations with Norway and Switzerland

The Council decided to extend, for an unspecified period, the validity of the Regulation concerning the safeguard measure laid down in Article 2 of Decision No 5/88

- of the EEC-Norway Joint Committee (simplified cumulation rules);
- of the EEC-Switzerland Joint Committee (simplified cumulation rules).

The Council agreed to the draft Decision of the EEC-Switzerland Joint Committee on the harmonized commodity description and coding system.

Community Customs Code

Following completion of the co-operation procedure with the European Parliament, the Council adopted the Regulation establishing the Community Customs Code, which is of particular importance in the context of the completion of the internal market.

The 253 Articles of the Code are designed to assemble in a single, consistent whole, the general rules and all the regimes and procedures applicable to goods traded between the Community and third countries. It is intended to consolidate and bring transparency to Community customs regulations, replacing and amplifying the 30 or so acts adopted between 1968 and 1990 which are currently in force. It will apply from 1 January 1994.

It should further be noted that the Code will also serve as a model piece of legislation in the process of consolidating Community law.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

9040/92 (Presse 177)

1607th Council meeting

ECONOMIC AND FINANCIAL QUESTIONS

Luxembourg, 19 October 1992

President: Sir John COPE
Paymaster General
of the United Kingdom

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The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Philippe de SCHOUTHEETE
de TERVARENT Ambassador, Permanent Representative

Denmark:

Mr Anders FOGH RASMUSSEN Minister for Economic Affairs

Germany:

Mr Horst KÖHLER State Secretary for Finance
Mr Christoph ZEITLER State Secretary for Finance
Mr Johann EEKHÖFF State Secretary for Economic Affairs

Greece:

Mr Stefanos MANOS Minister for Economic Affairs

Spain:

Mr Carlos SOLCHAGA Minister for Economic Affairs and Finance
Mr Pedro PEREZ State Secretary for Economic Affairs
Mr Antonio ZABALZA State Secretary for Finance

France:

Mr Michel SAPIN Minister for Economic and Financial Affairs
Mr Martin MALVY Minister for the Budget

Ireland:

Mr Bertie AHERN Minister for Finance

Italy:

Mr Piero BARUCCI Minister for the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for Finance

Netherlands:

Mr Wim KOK Minister for Finance
Mr Marius van AMELSVOORT State Secretary for Finance

Portugal:

Mr Jorge BRAGA DE MACEDO Minister for Finance

United Kingdom:

Sir John COPE Paymaster General

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Commission:

Sir Leon BRITTAN Vice-President
Mr Henning CHRISTOPHERSEN Vice-President
Mr Peter SCHMIDHUBER Member
Mrs Christiane SCRIVENER Member

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The following also attended:

Mr Erik HOFFMEYER Chairman of the Committee of Governors of the Central Banks
Mr Jean-Claude TRICHET Chairman of the Monetary Committee
Mr José Juan RUIZ Chairman of the Economic Policy Committee

DELORS II PACKAGE

- Budgetary treatment of Community loan guarantees to non-member states

- Council conclusions

1. In the context of its discussions on the Delors II package on 19 October 1992, the Council considered the question of the budgetary treatment of Community loan guarantees to non-member states.
2. The Council noted that the Community's growing international responsibilities have led to an increase in the level and scope of lending to non-member states, backed by guarantees on the EC budget. It concluded that considerations of prudent budgetary management and financial discipline call for the establishment of a new financial framework, including an appropriate form of provisioning.
3. The Council accordingly agreed that a Guarantee Fund should be established, to be financed by a reserve in the budget and the Financial Perspective on the model of the monetary reserve.
4. The Council also agreed on the following detailed elements of the Fund and reserve:

FUND

- (a) The target size of the Fund should be 10% of the outstanding liability of the Community arising from external loans and guarantees;

- (b) Each time the Community decides on a new external loan or guarantee, a provisioning payment of 14% of the capital value of the loan or guarantee would be made into the Guarantee Fund. This provisioning rate will be reviewed when the Fund reaches its target size and in any case no later than the end of the Financial Perspectives period;
- (c) In the event of a default, payments would be made directly from the Fund to the creditor. If the Fund did not contain sufficient resources to cover a default, additional payments would be called up from the budget, with any margin remaining in the reserve being the first recourse; any margin available under the ceiling of Category 4 of the Financial Perspective or redeployment within Category 4, the second recourse; a revision of the Financial Perspective in line with the provisions of the Inter-institutional Agreement, which might involve redeployment within other categories, the third recourse;
- (d) If, after default, resources in the Fund stood at below a threshold of 75% of its target size, the provisioning rate on new loans would be increased to 15%: either until the target size had once more been reached; or, if the default occurred before the target size had been reached, until the amount of the default had been fully restored. Additionally, in the event of one or more major defaults after which the Fund stood at below 50% of its target size, exceptional measures might be required to replenish the Fund;

- (e) If the Fund exceeded its target size, any surplus would be returned to the Member States;
- (f) The Fund should be managed separately from the Budget. It remained for consideration whether the managers should be the Commission, the EIB or another body.

RESERVE

- (g) A reserve should be established within the Community budget and the Financial Perspective, along the lines of the monetary reserve, to finance the Fund;
 - (h) Resources could not be called up from Member States until payments were required to be made into the Fund;
 - (i) In the Council's view, such payments should be classified as compulsory expenditure.
5. The size of the reserve will be determined in the context of the overall settlement on the Delors II package. The Council notes that the Commission has suggested 300 mecu a year for the period of the new Financial Perspective.
 6. The Council calls on the Commission to present detailed legislative proposals as a basis for further discussion.
 7. The Council invites the Presidency to inform the European Parliament of the above conclusions.

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- Cohesion Fund

Having received a progress report from the Permanent Representatives Committee on the setting up of a Cohesion Fund, the Council discussed in particular three main problems raised by the Commission proposals namely: the conditions of eligibility for aid from the Fund, the indicative allocation of the Fund's resources between beneficiary Member States and the macro-economic conditions for intervention by the Fund.

The discussions on this major aspect of the overall financial package, the Cohesion Fund, enabled delegations to clarify their positions and the Presidency to obtain useful guidance for the future channelling of discussions.

The Council instructed the Permanent Representatives Committee to continue the discussions in this area.

- Inter-institutional Agreement

The Council held a policy debate on the main questions raised by the draft new Inter-institutional Agreement for the period of validity of the new Financial Perspectives of the Community.

The main aspects of these questions were:

- setting the amounts in constant prices or in current prices in the Financial Perspectives, and subsequent adjustments;
- the mechanism for adjusting the ceilings of the Financial Perspectives to ensure compliance with the own resources ceiling;
- the rules governing the decision to revise the Financial Perspectives;

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- the principle of minimum redeployment;
- the definition of a "privileged status" for certain expenditure;
- leaving margins between the budget and the ceilings for the various headings; budgetary lines without a legal basis.

In the light of that day's discussions, the Presidency - in conjunction with the Commission - will contact the European Parliament to sound out its views on the matter.

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As regards the Delors II Package as a whole, the Presidency went on to point out that it would soon be submitting draft conclusions for guiding subsequent discussions with a view to achieving overall agreement at the Edinburgh European Council. Discussions on this matter would first be continued in the Permanent Representatives Committee before being resumed by the General Affairs Council on 9 November and at the Council meeting on Economic and Financial Questions on 27 November. A joint conclave of Ministers for Foreign Affairs and for Economic and Financial matters will finalize preparations for the European Council meeting on 27 November.

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GATT AND FINANCIAL SERVICES

The Community is currently engaged in a major effort to reach a satisfactory overall arrangement enabling the Uruguay Round to be concluded and offering worthwhile opportunities for growth for the world economy.

In the area of the liberalization of financial services, the Community regards as insufficient to date the level of commitments of a number of countries, especially the developing countries and the new industrialized countries (NICs). The Community therefore decided to make representations - in the form of a letter from the Presidency and the Commission - to the main countries concerned, urging them to improve their offers. The Community considered that there is a serious risk of more generous offers being withdrawn if the general level of offers was insufficient.

FOLLOW-UP TO THE BIRMINGHAM EUROPEAN COUNCIL

Following the conclusions of the Birmingham European Council on economic and monetary co-operation, the Ministers asked the Monetary Committee and the Committee of Governors of the Central Banks to prepare their own discussions on the matter.

RELATIONS WITH THE FORMER SOVIET UNION AND CENTRAL AND EASTERN EUROPE

- Council conclusions on the utilization of a loan of ECU 1 250 million to the former USSR

1. The Council welcomes the fact that eight of the States of the former Soviet Union (Armenia, Belarus, Georgia, Kyrghizistan, Moldavia, Tadjikistan, Turkenistan and Ukraine) have now signed the Protocols of Agreement allowing disbursement of their shares of the loan of ECU 1 250 million. It looks forward to the early signature of a Protocol of Agreement with Kazakhstan.
2. The Council recalls the agreement at its meeting of 13 July to grant a loan of up to ECU 150 million to the Vnesheconombank (VEB) to cover the medical needs of Russia, and welcomes the signature earlier this month of the Protocol of Agreement to allow disbursement of this loan.
3. The Council regrets that Russia continues to be unwilling to provide in respect of its remaining ECU 349 million share of the loan of ECU 1 250 million the sort of legal security which normally accompanies Community loans to States. However, since the loan is intended principally as a humanitarian aid instrument, the Council agrees to release the remaining ECU 349 million for Russia's use by means of a direct loan from the Community to the VEB, under the terms of Council Decision of 16 December 1991 and subject to the following conditions:
 - (a) Russia is up to date with its repayments on the ECU 500 million credit guarantee;
 - (b) the loan is accompanied by an adequate guarantee on the part of the Russian Government.

The Council attaches importance to agreement by the States of the former Soviet Union with their creditors in the Paris Club to reschedule their debt on satisfactory conditions.

The loan will principally finance supplies of food and agricultural products or, if the Russians so request, medical aid.

4. The decisions on this loan and the ECU 150 million medical loan to the VEB are exceptional in nature and in no way prejudice the conditions attaching to other Community loans.

- Additional financial assistance for Bulgaria

The Council adopted the decision providing further medium-term financial assistance for Bulgaria.

This loan of a maximum amount of ECU 110 million for a maximum duration of seven years is intended to sustain the balance of payments and to strengthen Bulgaria's reserves. It will follow an initial loan of ECU 290 million granted in 1991.

The loan will be made available to Bulgaria in two instalments, the first being paid as soon as the Bulgarian authorities have taken the necessary steps to allow the release of the amounts committed by non-Community G-24 countries as part of the 1991 balance-of-payments support package for Bulgaria and once an agreement in principle has been signed between Bulgaria and the creditor commercial banks on the broad lines of a future debt restructuring package for that country.

The second instalment will be paid when decisive progress has been made towards a comprehensive agreement between Bulgaria and the creditor commercial banks providing for medium-term debt restructuring of that country.

ABOLITION OF FISCAL FRONTIERS

Following an overall political agreement on VAT and excise duties achieved on 27 July, the Council adopted eight Directives and one Decision concerning:

- the approximation of VAT rates;
- the harmonization of structures of excise duties on manufactured tobacco;
- the approximation of excise duties on cigarettes;
- the approximation of excise duties on other manufactured tobaccos;
- the harmonization of structures of excise duties on mineral oils;
- authorization for Member States to continue to apply excise duty reductions or exemptions to certain mineral oils;
- the approximation of excise duties on mineral oils;
- the harmonization of structures of excise duties on alcohol and alcohol beverages;
- the approximation of excise duties on alcohol and alcohol beverages.

The adoption of this set of fiscal measures is an essential factor for completion of the internal market on 1 January 1993 - one of the fundamental objectives of the Community - through the elimination of fiscal border checks.

In the VAT area, such elimination implies, in order to avoid distortions of competition and in addition to the uniform base which has already been the subject of previous decisions, the obligation for Member States to adopt a normal rate and one or more reduced rates and to comply with minimum rate levels.

As regards excise duties, in addition to setting minimum rates, it was necessary to harmonize structures for the general monitoring and circulation system adopted in February 1992 to become applicable.

7th VAT Directive - Special arrangements for second-hand goods, works of art, antiques and collectors' items

The Council heard a communication by Mrs SCRIVENER reiterating the importance which the Commission attached to rapid adoption of the 7th VAT Directive with a view to eliminating border checks on 1 January 1993. Mrs SCRIVENER also drew the Council's attention to major problems arising in this area.

The Commission considered that the adoption of a Directive harmonizing the taxation system applicable to second-hand goods, works of art, antiques and collectors' items was absolutely essential to avoid distortions of competition. This risk existed in particular in the case of imports of works of art and for operators from countries not applying the base on base taxation system, as compared with operators from countries which did apply such a system.

The Council instructed the Permanent Representatives Committee and the ad hoc Working Party to continue to examine the various aspects raised by this Directive.

MISCELLANEOUS DECISIONS

Relations with Poland, Hungary and Czechoslovakia

The Council authorized the Commission to negotiate exchanges of letters designed to extend the validity of the interim agreements with Poland, Hungary and Czechoslovakia beyond 31 December 1992.

Co-operation with the EBRD

The Council backed the Commission's intention to extend the Bangkok EEC/EBRD Agreement enabling the Community to make a contribution through the PHARE and TACIS programmes to the EBRD technical assistance programmes.

Moreover, during their luncheon, the Ministers met Mr ATTALI, the EBRD President, and discussed the economic and financial questions arising in connection with East European countries.

PRESS RELEASE

9041/92 (Presse 178)

1608th Council meeting

- FISHERIES -

Luxembourg, 19 October 1992

President: Mr David CURRY,
Minister of State,
Ministry of Agriculture,
Fisheries and Food

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr André BOURGEOIS Minister for Small and Medium Sized
Businesses and Agriculture

Denmark:

Mr Kent KIRK Minister for Fisheries
Mr Thomas LAURITSEN State Secretary, Ministry of Fisheries

Germany:

Mr Walter KITTEL State Secretary, Federal Ministry
of Food, Agriculture and Forestry

Greece:

Mr Christos KOSKINAS State Secretary for Agriculture and
Fisheries

Spain:

Mr Medro SOLBES MIRA Minister for Agriculture, Fisheries and
Food

France:

Mr Charles JOSSELIN State Secretary for the Sea

Ireland:

Mr Michael Woods Minister for the Marine

Italy:

Mr Giulio CAMBER State Secretary for Transport and Merchant
Shipping

Luxembourg:

Mr René SEICHEN Minister for Agriculture, Viticulture and
Rural Development, with responsibility for
Cultural Affairs and Scientific Research

Netherlands:

Mr Miet BUKMAN Minister for Agriculture, Nature
Conservation and Fisheries

Portugal:

Mr Eduardo DE AZEVEDO SOARES Minister for Maritime Affairs
Mr João Marçal ALVES State Secretary for Fisheries

United Kingdom:

Mr David CURRY Minister of State, Ministry of
Agriculture, Fisheries and Food

Sir Hector MONRO Parliamentary Under-Secretary of State,
Scottish Office

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Commission:

Mr Manuel MARIN Vice-President

COMMON ORGANIZATION OF THE MARKET IN FISHERY PRODUCTS

Pending the Opinion of the European Parliament, the Council reached provisional agreement on the proposal for a Regulation on the common organization of the market in fishery products.

As the purpose of the proposal is to repeal the existing basic Regulation (No 3796/81), it relates in particular to:

- a simplification and clarification of existing mechanisms in order to increase their efficiency;
- coherence for the market organization with the other components of the common fisheries policy, in particular synergy of the market organization with the Community resource-management and conservation policy; better utilization of scarce resources through more stringent criteria for the different price-support mechanisms, especially in respect of the withdrawal/destruction scheme;
- an increase in the role and responsibilities of the producers' organizations as to their financial co-responsibility in the functioning of the price-support schemes and, on an optional basis, management of catch quotas;
- the compensatory allowance for tuna and the introduction of Community import arrangements following the elimination of national quantitative restrictions for tinned tuna and sardines.

The political agreement reached by the Council concerns in particular:

-- role of producers' organizations

- = possibility for Member States to increase the responsibility of producers' organizations with regard to resource management, within the quotas;

- the withdrawal/destruction scheme
 - = more stringent conditions for granting compensation;
 - = reduction of eligible quantities;
 - = greater degressivity of financial compensation;
 - = greater financial co-responsibility for producers' organizations;

- the withdrawal/carry-over scheme
 - = reduction of eligible quantities;

- private-storage aid
 - = reduction of eligible quantities;

- tuna scheme
 - = maintenance of the existing scheme and of the derogations relating to the suspension of customs duties (the Commission will submit a report to the Council before 30 June 1994 on the situation on the tuna market and on the functioning of the scheme and system in force).

PROTECTION OF MARINE MAMMALS

The Council adopted without discussion the Regulation aimed at protecting certain marine mammals, in particular dolphins, from the effects of tuna-fishing with purse seines.

The Regulation, which defines the rules for using purse seines in such a way that only target species are caught and the environment is not threatened, amends for the fourteenth time Regulation No 3094/86 laying down certain technical measures for the conservation of fishery resources.

In specific terms, the Regulation prohibits any vessel flying the flag of, or registered in, a Member State both in Community waters and outside those waters, from undertaking encirclements of schools

of marine mammals with purse seines, where the objective is to catch tuna or other fish species.

The Council also held a preliminary discussion on a Commission communication concerning Community accession to the International Convention for the Regulation of Whaling (IWC). As further examination of the technical and legal aspects of such accession is required, the Council instructed the Permanent Representatives Committee to continue examining the communication.

REVISION OF THE COMMON FISHERIES POLICY

The Council conducted a preliminary discussion on the proposal for a Regulation establishing a Community system for fisheries and aquaculture, which is the framework for revising the common fisheries policy (CFP).

The proposal, the purpose of which is to replace the basic Regulation (No 170/83) as from 1 January 1993, follows on from the guidelines adopted by the Commission in its report of December 1991 on the CFP and in particular from the conclusions and the Opinion of the Council and the European Parliament respectively.

Seeking to maintain and improve the existing common fisheries policy in order to ensure the economic and social viability of the sector as a whole, the main aim of the proposal is to maintain a durable balance between available resources and fishing effort while providing for the stable, rational and responsible exploitation of living aquatic resources.

The discussion centred mainly on the following aspects of the proposal:

- maintenance of the scheme governing access to the 12-mile coastal band;
- the principle of relative stability;

- the box scheme;
- the introduction of multispecies and multiannual TACs and quotas;
- the establishment of a system of Community licences;
- application to decision-making of the principle of subsidiarity.

The Council instructed the Permanent Representatives Committee to continue examining the proposal, in particular in the light of the Opinion of the European Parliament, with a view to reaching agreement by the end of 1992.

RESTRUCTURING OF THE COMMUNITY FLEET

The Council discussed the measures aimed at adapting the capacity of the Community fleet to resources, notably as regards the multiannual guidance programmes (MGPs) which the Commission is required to adopt.

The Council noted the Commission's intention to take account of the positions adopted in the discussion, with a view to maintaining political consensus between the two institutions.

CONTROL SYSTEM

The Council held a policy debate on the proposal for a Regulation establishing a control system applicable to the common fisheries policy, with closer links between the resources, structures and market aspects.

The discussion focused in particular on the application of the principles of subsidiarity and proportionality, the sanctions arrangements, the role of Community inspectors, the cost-benefit ratio of the use of satellite technology, the one-net rule and monitoring of the activities of third-country fleets.

The Council instructed the Permanent Representatives Committee to continue examining the proposal in the light in particular of the Opinion of the European Parliament and of developments in the discussion

within the Council on the revision of the basis Regulation governing the common fisheries policy.

LICENCES IN THE NAFO AREA

The Council held a policy debate on the proposal for a Regulation setting up licensing arrangements for fishing within the regulatory area defined by the NAFO Convention by vessels flying the flag of a Member State or registered at a Community port.

The purpose of the proposal is to apply to the NAFO area the new resource-management mechanisms designed to adapt the fishing effort of Community vessels to the resources available through the introduction of a licensing system.

The Council instructed the Permanent Representatives Committee to continue examining the proposal, in the light in particular of the Opinion of the European Parliament.

HIGH-SEAS FISHERIES

The Council heard a statement by Vice-President MARIN on high-seas fisheries, further to the technical talks within the FAO in September 1992 and the UNCED proceedings on the matter.

Technical talks within FAO revealed in particular the need to establish a code of conduct for responsible fishing. That issue will be examined at the FAO's annual Conference in November 1992.

PRESS RELEASE

9042/92 (Presse 179)

1609th Council meeting

- ENVIRONMENT -

Luxembourg, 20 October 1992

President: Mr Michael Howard,
Secretary of State
for the Environment of
the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mrs Laurette ONKELINX Minister for the Environment

Denmark:

Mr Per Stig MØLLER Minister for the Environment
Mr Leo BJØRNESKOV State Secretary for the Environment

Germany:

Mr Klaus TOEPFER Minister for the Environment

Greece:

Mr Achilleas KARAMANLIS Minister for the Environment,
Regional Planning and Public Works

Spain:

Mr José BORRELL Minister for Public Works and Transport
Mr Vicente ALBERO State Secretary for the Environment

France:

Mrs Ségolène ROYAL Minister for the Environment

Ireland:

Mr Michael Smith Minister for the Environment

Italy:

Mr Carlo RIPA DI MEANA Minister for the Environment

Luxembourg:

Mr Alex BODRY Minister for the Environment

Netherlands:

Mr J.G.M. ALDERS Minister for Housing, Planning and the Environment

Portugal:

Mr Carlos BORREGO Minister for the Environment and Natural Resources

United Kingdom:

Mr Michael HOWARD Secretary of State for the Environment
Mr David MACLEAN Minister for the Environment and Countryside

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Commission:

Mr Carlo RIPA DI MEANA Member

SUPERVISION AND CONTROL OF SHIPMENTS OF WASTE WITHIN, INTO AND OUT OF THE EUROPEAN COMMUNITY

The Council reached political agreement on the proposal for a Regulation on the supervision and control of shipments of waste within, into and out of the European Community.

The Regulation, which is due to enter into force 15 months after its formal adoption, aims in particular at improving the control system currently in force within the Community and at transposing into Community law the Basel Convention on hazardous wastes, the fourth Lomé Convention and the OECD Decision on wastes for recovery ⁽¹⁾.

The main provisions of the Regulation may be summarized as follows:

SHIPMENTS OF WASTE BETWEEN MEMBER STATES

- Waste for disposal

System of prior authorization with consignment note and obligation for the holder and the consignee to make a contract for disposal of waste.

In order to implement the principles of proximity, priority for recovery and self-sufficiency at Community and national levels,

(1) The Basel Convention of 22 March 1989 on the control of transboundary movements of hazardous wastes and their disposal contains more stringent provisions than the current Community Directives. The Community and its Member States have all signed but not ratified the Basel Convention, which has been in force since May 1992.

Article 39 of the fourth Lomé Convention of 15 December 1989 prohibits the export of hazardous waste and radioactive waste to the ACP States.

The OECD Decision establishes a system for controlling shipments which varies according to the nature of the waste.

Member States may take measures in accordance with the Treaty to prohibit generally or partially or to object systematically to shipments of waste, except in the case of hazardous waste produced in small quantities in the Member State of dispatch. In the latter case, the Member State of destination will co-operate with the Member State of dispatch with a view to resolving the issue bilaterally. If there is no satisfactory solution, either Member State may refer the matter to the Commission which will determine the issue in accordance with the Committee procedure laid down in Article 18 of Directive 91/156/EEC. The Council and the Commission considered that general prohibition measures and objections on a case-by-case basis must be implemented in a spirit of fair co-operation.

- Waste for recovery

Tacit or written consent system depending on the case.

Notification with tracking document and obligation for the notifier and the consignee to make a contract for recovery of the waste.

Shipments of "green" waste for recovery are dealt with in an Annex to the Regulation and are not in principle covered by the Regulation but certain "green" waste will be controlled in specific cases. Shipments of "green" waste must be accompanied by information enabling them to be tracked where appropriate.

SHIPMENTS OF WASTE WITHIN MEMBER STATES

Obligation for Member States to establish an appropriate system for the supervision and control of shipments of waste which must take account of the need for coherence with the Community system.

EXPORT OF WASTE

- Waste for disposal

Prohibition of all exports of waste for disposal, except to EFTA countries which are also parties to the Basel Convention.

- **Hazardous waste for recovery**

Prohibition of exports of waste for recovery, except to countries to which the OECD Decision applies and to other countries which are parties to the Basel Convention and with which the Community or Member States conclude bilateral, multilateral or regional agreements or arrangements under specified conditions.

- **Export of waste to ACP States**

Prohibition of all exports of waste to ACP States (except for the return of waste processed in a Member State to the ACP State of origin).

- **Export of "green" waste to non-OECD countries**

Such waste cannot be exported without written confirmation from the country of destination. Failing such a reply, the Commission will submit proposals to the Council.

IMPORT OF WASTE

- **Waste for disposal**

Prohibition of all imports into the Community of waste for disposal except from EFTA countries which are parties to the Basel Convention or other countries which are also parties to the Basel Convention or with which the Community or Member States conclude, under certain conditions, bilateral or multilateral agreements or arrangements, inter alia in cases where countries are unable to dispose of the waste themselves in an environmentally sound manner.

- **Waste for recovery**

Prohibition of any imports into the Community of waste for recovery except from countries to which the OECD Decision applies or other countries, whether parties to the Basel Convention or not, in the event of conclusion of bilateral agreements or arrangements under certain conditions.

- **Transit of waste from outside and through the Community**
System of prior authorization by transit authorities for waste for disposal and recovery. More flexible system for transit of waste for recovery from and to a country to which the OECD Decision applies.

ILLEGAL TRAFFIC

The Regulation provides for measures to be taken in the event of illegal trafficking in waste and obliges Member States to take appropriate action to prohibit and punish illegal traffic.

All shipments of waste falling within the scope of the Regulation are, moreover, subject to the provision of a financial guarantee.

The text also lays down rules for returning to the State of dispatch waste which could not be disposed of or recovered in the State of destination.

The Council instructed the Permanent Representatives Committee to finalize the text with a view to its formal adoption at the earliest opportunity.

BASEL CONVENTION

In the context of the discussion on the Regulation on shipments of waste, the Council exchanged views on the issue of the conclusion of the Basel Convention. Following that exchange of views, the Council reaffirmed the crucial importance it attached to the rapid conclusion of the Basel Convention by the Community and its Member States. Now that political agreement had been reached on the Community Regulation on waste, it expected to be able to take the necessary decision for conclusion of the Convention at the next meeting of the Environment Council.

The Council strongly urged the European Parliament to co-operate in expediting the formal adoption of the waste Regulation, without which the Convention could not be concluded. It instructed the Permanent Representatives Committee to complete all its preparatory work so that the Council's decision on the conclusion of the Convention by the Community could be taken at the next session of the Environment Council, with all the necessary preconditions being fulfilled.

EMISSIONS FROM MOTOR VEHICLES

The Council noted the progress of proceedings on the proposal for a Directive on more stringent limits for polluting emissions from a specific category of vehicles, namely light commercial vehicles.

This category, which comes within the scope of Directive 91/44/EEC of 26 June 1991 (which set the stringent emission standards now being imposed on passenger cars), currently benefits from requirements less stringent than those applied to passenger cars.

The new Commission proposal accordingly seeks to make the emission standards for this category of vehicle as stringent as those applying to passenger cars.

The Permanent Representatives Committee was instructed to continue examining the proposal, in particular in the light of the European Parliament's Opinion.

CLIMATE CHANGE - FOLLOW-UP TO UNCED

The Council reviewed the progress of proceedings on climate change, following the Convention on the subject signed within the framework of the UNCED and in particular with regard to the four proposals under consideration by the Council concerning:

- a Directive to limit CO₂ emissions by improving energy efficiency (SAVE);
- a Decision concerning the promotion of renewable energy sources (ALTERNER);
- a Directive introducing a tax on CO₂ emissions and energy;
- a Decision concerning monitoring of CO₂ and other greenhouse gas emissions.

The Council also noted the progress of proceedings on the follow-up to the UNCED decisions and actions to be envisaged with a view to the United Nations General Assembly starting in New York in November.

5TH ACTION PROGRAMME

The Council held a detailed discussion on the 5th programme of policy and action in relation to the environment and sustainable development, submitted by the Commission.

The discussion made it possible to note broad agreement on a draft Resolution to be adopted at the next meeting of the Environment Council on 15 December 1992, in particular in the light of the European Parliament's Opinion. The Council considered, moreover, that the Resolution should be supplemented in particular taking account of the progress made in other fora with regard to subsidiarity and follow-up to the UNCED.

EUROPEAN ENVIRONMENT AGENCY

Presidency conclusions:

"The Council recalls that a Regulation to establish the European

Environment Agency was adopted on 7 May 1990, but that a decision has yet to be taken on its location. The urgency of the problem has been underlined at many previous Council meetings but no solution has been found so far.

Bearing in mind in particular the importance of addressing global environmental problems to which the Rio Conference gave expression, the Environment Ministers note once more with regret that the continuing absence of such a decision has prevented the Agency from beginning its important and much-needed work on assessing the state of the European environment.

They note with concern the risk of the imminent disbandment of the Agency task force if a decision cannot be reached in the near future.

Accordingly, Environment Ministers reaffirm the importance they attach to the early establishment of the Agency and express their strong concern that a decision on its site should be reached by the European Council as a matter of urgency."

PROTECTION OF THE OZONE LAYER

The Council supplemented the brief given to the Commission on 23 March 1992 with a view to negotiation of adjustments and amendments to the Montreal Protocol on substances that deplete the ozone layer, to be decided on at the fourth meeting of the parties to be held in Copenhagen in November 1992.

In this connection, the Council decided that methyl bromide (a fumigant and pesticide used in agriculture) should be included in the list of controlled substances and that its production and consumption should be stabilized within the Community at the 1991 level by the year 1995.

The brief could be made more specific prior to the Copenhagen meeting.

The Council also gave guidelines to the Permanent Representatives Committee to continue examining the proposal for a Regulation amending current Community legislation concerning protection of the ozone layer (Regulation No 594/91) in the light of Parliament's Opinion and the outcome of the fourth meeting of the parties to the Montreal Protocol.

COMMUNITY ECO-AUDIT SCHEME

The Council held a policy debate on the proposal for a Regulation allowing voluntary participation by companies in the industrial sector in a Community Eco-audit scheme.

The proposal aims at promoting the introduction of a systematic approach to environmental management by companies, based on voluntary periodic self-assessment by industry of its environmental performance, subsequently given formal independent validation.

An important feature of the proposed scheme is the provision of information to the public by the participating companies, which, if they fulfil the Regulation's requirements, may also use a logo.

The Council discussion covered in particular the nature of the proposed scheme, arrangements for participation of SMEs in the scheme and the question of the logo.

The Council instructed the Permanent Representatives Committee to continue examining the proposal in the light of the discussion and the Opinion awaited from the European Parliament, with a view to reaching agreement on the proposal at the earliest opportunity.

POSSESSION OF AND TRADE IN SPECIMENS OF SPECIES OF WILD FAUNA AND
FLORA

The Council held a policy debate on the proposal for a Regulation laying down provisions with regard to possession of and trade in specimens of species of wild fauna and flora.

It will be remembered that, at present, the Community has a Regulation (EEC) No 3626/82 which essentially enables it to meet its obligations under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and also imposes certain stricter measures at Community level.

The aim of the new proposal is to improve that Regulation while at the same time considerably enlarging its scope to reflect national and Community legislation and, against the background of the Single Market, to further harmonize national legislation in this area.

The Council instructed the Permanent Representatives Committee to continue examining the proposal, in particular in the light of the Opinion awaited from the Parliament, with a view to reaching agreement at the earliest opportunity.

PRESS RELEASE

9412/92 (Presse 185)

1610th Council meeting

- AGRICULTURE -

Luxembourg, 26 and 27 October 1992

President: Mr John GUMMER

Minister of Agriculture,
Fisheries and Food of
the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

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| <u>Belgium:</u> Mr André BOURGEOIS | Minister for Agriculture |
| <u>Denmark:</u> Mr Laurits TOERNAES Mr Nils BERNSTEIN | Minister for Agriculture State Secretary for Agriculture |
| <u>Germany:</u> Mr Ignaz KIECHLE Mr Walter KITTEL | Federal Minister for Food, Agriculture and Forestry State Secretary, Federal Ministry of Food, Agriculture and Forestry |
| <u>Greece:</u> Mr Sotirios HATZIGAKIS | Minister for Agriculture |
| <u>Spain:</u> Mr Pedro SOLBES MIRA | Minister for Agriculture |
| <u>France:</u> Mr Jean-Pierre SOISSON | Minister for Agriculture |
| <u>Ireland:</u> Mr Joe WALSH | Minister for Agriculture and Food |
| <u>Italy:</u> Mr Giovanni FONTANA | Minister for Agriculture |
| <u>Luxembourg:</u> Mr René STEICHEN | Minister for Agriculture and Viticulture |
| <u>Netherlands:</u> Mr Piet BUKMAN | Minister for Agriculture, Nature Conservation and Fisheries |
| <u>Portugal:</u> Mr Arlindo CUNHA | Minister for Agriculture |
| <u>United Kingdom:</u> Mr John GUMMER Mr David CURRY | Minister for Agriculture, Fisheries and Food Minister of State, Ministry of Agriculture, Fisheries and Food |
| <u>Commission:</u> Mr Ray MAC SHARRY | Member |

BANANAS

The Council discussed the fundamental problems raised by the Commission proposal for the common organization of the market in bananas, on the basis of a report from the Special Committee on Agriculture and pending the Opinion of the European Parliament.

It should be noted that the proposed arrangements comprise an internal chapter the main feature of which is the creation of a common organization of the market, based on a system of quality standards and structural aids with a view to making Community production more competitive, and an external chapter centred on the need to observe the balance between the vested interest involved (principle of Community preference, honouring of ACP and GATT commitments and consideration of the interest of other third countries. This latter chapter includes the opening of a managed (in particular, partnership-based) import quota, the proposed third country import arrangements presupposing a GATT waiver.

The Commission also intends, before the end of October 1992, to supplement these arrangements with a proposal on the future arrangements applicable to trade with the ACP; it also plans to propose the establishment of a diversification and development fund to assist Latin American exporting countries.

The discussions enabled delegations to state their positions on the proposed Commission approach and on a number of specific points, in particular the proposed compensation in the form of production aid (principle, form and level of the aid and whether permanent or subject to phased reduction), the proposed import quota (level, method of calculation, possibility of adjustment) and the criteria governing the issue of import certificates (reference basis, allocation of the quota to the operator, partnership and related problems).

At the close of the discussions, the Chairman emphasized the need, in view of the positions adopted, for more thought to be given to the matter in order that a solution might be reached by the end of the year.

In conclusion, the Council instructed the Special Committee on Agriculture to press on with its deliberations and to report back to it with a view to further discussion of the question at the Council meeting in November.

ADJUSTMENT OF THE AGRI-MONETARY ARRANGEMENTS

Pending the Opinion of the European Parliament, the Council continued its examination of the Commission proposal to adjust the agri-monetary arrangements in the context of the completion of the single market. The removal of border controls from 1 January 1993 presupposes an end to monetary compensatory amounts.

During the discussion, and in the light of recent monetary events the delegations reviewed all issues causing difficulties, in particular the abandonment or the retention, at least temporarily, of the switch-over system, compensatory aid, the dismantling of monetary disparities and the powers of the Council and of the Commission.

At the close of the discussion, the Council instructed the Special Committee on Agriculture to continue its examination of the whole question in the light of the guidelines established today.

DROUGHT IN PORTUGAL

Pending the European Parliament's Opinion, a broad majority of Member States was forthwith in favour of the special measures proposed by the Commission for farmers affected by the exceptionally severe drought in Portugal in 1991/1992.

These measures provide for Community aid in the cereals sector (ECU 35 million) to offset loss of yield and the introduction in the livestock sector of special aid arrangements to compensate for the buying-in of additional fodder (ECU 47 million).

The Council will take a definitive decision once it has received the European Parliament's Opinion.

GATT: AGRICULTURE

- Uruguay Round - farm chapter
- Soya panel

The Council discussed the progress of the Uruguay Round negotiations; then, noting the conclusions of the European Council meeting in Birmingham, it confirmed its strong preference for an overall balanced solution covering also the question of oleaginous products and called on the Commission to do everything possible to achieve that objective.

APPLICATION OF THE MILK QUOTA SYSTEM IN ITALY

The Council noted a full report on the subject from the Special Committee on Agriculture outlining the main options for consideration. It then heard the Italian Minister setting out clarifications for measures Italy was proposing, the procedure for the adoption of which is under way.

The discussion which ensued enabled delegations to state their reactions to the facts as presented by the Special Committee on Agriculture and to the possible options. Since the legislative process and the implementation of the measures in Italy are not yet complete, the Council was unwilling to give the final thought to the matter at this stage and will return to it at its next meeting.

BEEF AND VEAL

In the absence of the European Parliament's Opinion, the Council conducted an initial discussion of the Commission proposal on the adjustment of the common organization of the market in beef and veal. This proposal is a follow-up to the undertaking entered into by the Commission at the time the CAP reform was adopted on 30 June 1992.

It concerns 3 items:

- the deseasonalization premium, which should apply to castrated male animals instead of to male animals;
- the extension of the suckler cow premium to include producers whose reference quantity is below 120,000 kg (instead of 60,000 kg), subject to the discontinuation of the 10-animal limit;
- the recognition in the new "Bundeslaender" that milk cows which have been served or inseminated by a beef breed bull should be regarded as suckler cows provided that they belong to a herd intended for the production of beef calves.

The Council discussion revealed that, while the proposal would obtain the backing of some delegations, it gave rise to political reservations on the part of others and called for a thorough technical examination regarding certain points; the Special Committee on Agriculture was asked to do this in time for the next Council meeting.

ORGANISMS HARMFUL TO PLANTS OR PLANT PRODUCTS

The Council noted a general trend in favour of a compromise text amending Annex V to Directive 77/93/EEC on protective measures against the introduction into and propagation in the Community of organisms harmful to plants or plant products.

This amendment proposal is the final item in the new plant health legislation introduced under Directive 91/683/EEC of 19 December 1991.

The Council instructed the Permanent Representatives Committee to conclude its examination of the question, due account being taken of the guidelines established, so that the Directive might be finally adopted at a later meeting.

VETERINARY CHECKS AT EXTERNAL FRONTIERS

The Council discussed the introduction of veterinary checks at external frontiers, pursuant to Directive 90/675/EEC.

The Commission confirmed that it was unable at present to determine either the nature or frequency of the checks at external frontiers applicable to products originating in third countries as from 1 January 1993. It therefore proposed extending for one year the transitional measures adopted during the summer in order to make imported products subject to documentary checks at the external frontier, physical checks being carried out either at the external frontier, or at destination, once a prior bilateral agreement had been concluded between the Member State providing the point of entry to Community territory and the Member State of destination. It would be possible to retain documentary checks during transportation without such checks jeopardizing the aims of the internal market.

This approach, which calls into question the undertakings entered into at the time of adoption of the basic Directives and transitional measures, provoked reactions from a number of delegations insofar as it undermines the parallel between the abolition of checks at internal frontiers and the introduction of effective checks on imports from third countries.

At the close of the discussion, the Commission informed the Council that as from the following week it would be submitting for a decision appropriate proposals to the Standing Veterinary Committee, meeting at Chief Veterinary Officer level.

IDENTIFICATION AND REGISTRATION OF ANIMALS

The Council resumed its examination of this question, pending the Opinion of the European Parliament.

It should be noted that the introduction of an animal identification and registration system is in response to two aims:

- checks on the movement of intra-Community trade in animals for veterinary purposes;
- supervision of the system of premiums for cattle, sheep and goats.

During the meeting, the Council concentrated especially on two points still outstanding, viz.:

- control measures to be prescribed for bovine animals which have lost their marks;
- the deadline to be set for the introduction of the new system.

Other questions were also discussed and include:

- the nature of the derogations laid down for keeping registers and a census of holders;
- the marking of imported animals;
- Community financial participation.

The Council wound up its discussion by calling on the Permanent Representatives Committee to finalize the question with a view to its adoption following receipt of the European Parliament's Opinion.

INTEGRATED ADMINISTRATION AND CONTROL SYSTEM

Pending the European Parliament's Opinion, the Council continued its examination of the Commission proposal which, in conjunction with the CAP reform, aims at establishing a common framework for the introduction in each Member State of an integrated administration and control system for certain Community aid schemes.

Two key questions were central to today's discussion:

- the date of "surface area" aid presentation,
- Community funding, as proposed.

In conclusion, the Council instructed the Special Committee on Agriculture to examine these questions thoroughly, along with other outstanding problems, so as to enable the Council to conclude matters at its next meeting.

DURUM WHEAT

The Council noted a request from the French delegation concerning certain wheat-producing regions, in the wake of the amendment of the provisions governing special aid for durum wheat.

After discussing the problems encountered by the Member States in this sector, the Commission said that it would proceed with a specific examination of the problems, which might lead to appropriate steps being proposed.

INCOMES OF SHEEPMEAT PRODUCERS

This item was added to the Council agenda at the request of the Irish delegation. Ireland is experiencing severe difficulties in the sheepmeat sector, particularly as regards producers' incomes. Minister WALSH wished to apprise the Council of the problem and to outline a possible solution.

Other delegations spoke of similar difficulties.

The Commission undertook to give further thought to the question.

OTHER DECISIONS IN THE FIELD OF AGRICULTURE

The Council adopted:

- the Decision on the conclusion of the agreement in the form of an exchange of letters between the EEC and the United States on the application of the Community third countries (Directive 72/462/EEC) and the corresponding United States regulatory requirements with regard to trade in fresh beef and veal and pigmeat:
- the Regulation concerning the arrangements applicable to the import into the Community of products from the sheepmeat and goatmeat sectors originating in Bosnia-Herzegovina, Croatia, Slovenia, Montenegro and Serbia and in the former Yugoslav Republic of Macedonia.

The purpose of the Regulation is to suspend the administration system in the 1981 Agreement between the Community and Yugoslavia on trade in the aforementioned products and to make temporary provision for the exclusive administration of the Agreement by the Community.

- the Directive amending Directive 74/63/EEC on undesirable substances and products in feedingstuffs.

This involves amending certain regulatory provisions in order to improve the safe use of feedingstuffs. It is proposed, therefore, to extend the definition of "animals" to include species living freely in the wild, so as to prevent feedingstuffs which are unfit for consumption by livestock being fed to game or other animals living freely in the wild.

- The Regulation amending Regulation (EEC) No 1696/71 on the common organization of the market in hops.

The purpose of this amendment is gradually to step up the level of marketing by recognized producer groups.

- the Regulation amending Regulation (EEC) No 2390/89 laying down the general rules for the importation of wines, juices and grape musts.

This Regulation is designed to extend by six months, i.e. until 30 April 1993, the derogatory rules introducing a certain flexibility with regard to the certificates of origin and analysis bulletins to be provided by the United States, on condition that the latter provides special guarantees acceptable to the Community.

- the Regulation amending Regulation (EEC) No 1873/84 authorizing the offer or disposal for direct human consumption of certain imported wines which may have undergone oenological processes not provided for in Regulation (EEC) No 822/87.

The aim of this amendment is to extend by six months, up until 30 April 1993, the derogation granted in respect of wines originating in the United States as regards the application of certain oenological practices in the Community.

- the Regulation on the free distribution outside the Community of fruit and vegetables which have been withdrawn from the market.

This regulation enables apples withdrawn from the market to be made available during the 1992/1993 marketing year to charitable organizations approved by the Member States with a view to their distribution free to populations which are victims of the war in the former Yugoslavia.

OTHER DECISIONS

The former Yugoslavia

The Council adopted the Regulation amending Regulation (EEC) No 545/92 concerning the arrangements applicable to the import into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia and Slovenia and the Yugoslav Republic of Macedonia (procedure for determining the rules of origin).

Albania

The Council adopted:

- the Decision on the conclusion of the agreement between the EEC and the Republic of Albania on trade and commercial and economic co-operation, signed on 11 May 1992;
- the Regulation on emergency action for the supply of agricultural products to the populations of Albania.

This action, involving an amount of ECU 40 million, is intended to improve feeding conditions in Albania, taking into account the diversity of local situations. Intervention farm products or, on request, other products mobilized on the Community market will be transferred free of charge to the Albanian authorities and sold at a price which will avoid disrupting the market and provide a counterpart fund to help the most needy.

India

The Council adopted the Decision authorizing the Commission to open negotiations for a new co-operation agreement between the European Economic Community and the Republic of India (to replace the present agreement, which entered into force on 26 October 1981).

Textiles

- Decision authorizing the Commission to enter into negotiations to conclude a bilateral textile agreement with Vietnam

The Council has authorized the Commission to enter into negotiations with the Socialist Republic of Vietnam for the conclusion of a bilateral agreement on trade in textile and clothing products.

These negotiations are aimed at bringing exports of textile products from that country into a framework consistent with the Community's commercial policy for textiles. In doing so, the Community is also responding to the clear interest manifested by the Vietnamese authorities for concluding such an agreement.

Such an agreement with Vietnam, which is not a party to the GATT or the MFA, will differ in several respects from those negotiated with other suppliers of similar level. Given that this agreement is intended to replace the current restrictive autonomous arrangements governing imports of textile products from Vietnam, it will represent a significant step forward for the Vietnamese authorities. It will therefore have to make provision for a larger number of quantitative restrictions that are included in textile agreements with other supplier countries of similar size and potential in order to avoid any sudden disruption of Community markets.

The usual provisions for double checking should apply to these quantitative restrictions and a strengthened safeguard mechanism and anti-fraud clause should also be included, as well as an appropriate price clause. Since this agreement will improve access to the Community market for the Socialist Republic of Vietnam, reciprocal advantages should be extended to Community exporters. It should therefore be possible to negotiate provisions on specific matters such as preference for Community suppliers.

PRESS RELEASE

9413/92 (Presse 186)

1611th Council meeting

- TRANSPORT -

Luxembourg, 26 October 1992

President: Mr John MacGREGOR,

Secretary of State for Transport
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Guy COEME
Deputy Prime Minister;
Minister for Transport,
Public Undertakings and
Public Building

Denmark:

Mr Kaj IKAST
Minister for Transport
Mr Joergen HALCK
State Secretary for Transport

Germany:

Mr Günter KRAUSE
Federal Minister for Transport

Greece:

Mr K. STEFANAKOS
Secretary-General for Transport
Mr Dimitrios STAMAPOULOS
Secretary-General for Transport

Spain:

Mr José BORRELL
Minister for Transport

France:

Mr Jean-Louis BIANCO
Minister for Transport
Mr Charles JOSSELIN
State Secretary for Maritime Affairs

Ireland:

Mrs Maire GEOGHEGAN-QUINN
Minister for Tourism, Transport and
Communications

Italy:

Mr Giancarlo TESINI
Minister for Transport

Luxembourg:

Mr Robert GOEBBELS
Minister for Transport

Netherlands:

Mrs Hanja MAIJ-WEGGEN
Minister for Transport and Public
Works

Portugal:

Mr Jorge ANTAS
State Secretary for Transport

United Kingdom:

Mr John MacGREGOR
Secretary of State for Transport
The Earl of CAITHNESS
Minister of State, Department of
Transport

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For the Commission:

Mr Karel VAN MIERT
Member

SURFACE TRANSPORT

ACTION PROGRAMME IN THE FIELD OF TRANSPORT INFRASTRUCTURE

Pending the Opinions of the European Parliament and the Economic and Social Committee, the Council discussed the proposal for a Regulation extending the duration of the action programme in the field of transport infrastructure (Regulation No 3359/90), which is due to expire on 31 December 1992.

The discussion revealed general support for a draft compromise prepared by the Presidency.

That draft provides for the renewal of the instrument currently in place - with certain amendments to the aims and the infrastructure projects - for a transitional 2-year period (1993-1994), pending subsequent more comprehensive measures in the field of trans-European networks to be taken within the framework of the Treaty on European Union. The new Regulation would be repealed should a new instrument on trans-European networks be adopted by the Council before its expiry.

The Council instructed the Permanent Representatives Committee to re-examine the draft Regulation in the light of the Opinions of the European Parliament and the Economic and Social Committee, with a view to its earliest possible adoption.

HARMONIZATION OF ROAD TRANSPORT TAXATION

The Council conducted a thorough examination of the new approach to the harmonization of road transport taxation proposed by the Commission.

The examination led to the conclusion that the new Commission proposal provided a sound basis for reaching an agreement on this question.

The Council instructed the Permanent Representatives Committee to continue its examination of the proposal in preparation for the next Transport Council meeting on the subject.

LIBERALIZATION OF GOODS CABOTAGE (ROAD HAULAGE)

The Council conducted a policy debate on the proposal for a Regulation on the liberalization of road haulage services (goods cabotage).

The Council instructed the Permanent Representatives Committee to continue its examination of the proposal with a view to reaching agreement by the end of the year.

DEVELOPMENT OF COMBINED TRANSPORT

Directive on combined transport

Pending the Opinions of the European Parliament and the Economic and Social Committee, the Council discussed the Commission proposal extending the scope of Directive 75/130/EEC to include combined transport, part of which involves maritime transport. The extension of the definition of "combined transport" to include maritime transport is seen by the Commission as a fundamental first step towards an intermodal system.

The Commission proposes, however, that in the case of combined road/sea transport initial and final road haulage legs be liberalized within a radius of 150 km only, as the crow flies, from the port of loading or unloading, as in the case of combined transport by road and inland waterway.

The discussion revealed general support for a Presidency compromise calling for a revision of Directive 75/130/EEC to include the new provisions proposed by the Commission.

However, this compromise contains amendments to the Commission proposal including in particular exclusion from the scope of the Directive on road/sea transport including voyages within a radius of 100 km as the crow flies.

The Council instructed the Permanent Representatives Committee to re-examine the compromise in the light of the Opinions of the European Parliament and the Economic and Social Committee to enable it to act as soon as possible.

System of aid for investment in combined transport

Pending the Opinions of the European Parliament and the Economic and Social Committee, the Council discussed the Commission proposal extending the present system of aid for investment in combined transport (Regulation No 1107/70) until 31 December 1995. The system is due to expire on 31 December 1992.

The Commission thought that, if proper modal competition was to be restored, aid for combined transport should continue to be authorized, since the unequal distribution of infrastructure charges according to mode and the insufficient allowance made for outside costs worked against the interests of rail and inland waterway and, hence, combined transport.

The proposal also provides for the scope of the present Regulation to be extended by granting aid for transport rolling stock which is particularly suitable for combined transport and is used exclusively for that purpose. Such investment in specialist rolling stock would provide an alternative for Member States unable to carry out quickly the infrastructural work essential to the development of combined transport. Finally, it is proposed that aid for the cost of operating combined transport lines transiting through a third country's territory be renewed, but that such aid be confined to services transiting through Austria, Switzerland and the States of the former Yugoslavia.

The discussion revealed general support for the proposal.

The Council instructed the Permanent Representatives Committee to re-examine the proposal in the light of the Opinions of the European Parliament and the Economic and Social Committee to enable it to act on the question as soon as possible.

EXTERNAL RELATIONS

- EEC-Slovenia

On a Recommendation from the Commission, the Council authorized the latter to open negotiations with Slovenia on the conclusion of an agreement in the field of transport.

It should be noted that negotiations between the Community and Slovenia on a co-operation agreement and financial protocol are currently taking place.

EEC-Austria/Switzerland transit agreements

The Council discussed the proposal for a Decision concerning the conclusion of the transit agreements between the Community and Austria on the one hand and the Community and Switzerland on the other hand, signed in Oporto on 2 May 1992, at the same time as the Agreement on the European Economic Area (EEA) (see Press Release No 5944/92 Presse 58).

The discussion revealed a consensus in favour of the conclusion of those agreements once the European Parliament has delivered its Opinion.

The purpose of those agreements, entry into force of which is scheduled for 1 January 1993, is to facilitate transit trade and road haulage services through Austria and Switzerland.

Distribution of Ecopoints for transit through Austria

The Council discussed the proposal for a Regulation on the introduction, as from 1 January 1993, of a system of distribution between interested hauliers of Ecopoints available to the Community under the transit agreement with Austria.

The discussion revealed general support for the Regulation proposal.

The Council instructed the Permanent Representatives Committee to re-examine the question in the light of the European Parliament's Opinion, with a view to the Regulation's earliest possible adoption.

AIR TRANSPORT
ALLOCATION OF SLOTS

The Council conducted a policy debate on the proposal for a Regulation on common rules for the allocation of slots at Community airports.

The purpose of the proposal is to establish a code of conduct - based on the optional guide to scheduling introduced by the IATA - guaranteeing the transparent, efficient and non-discriminatory allocation of slots. The new code is linked to the application of the Treaty competition rules at a time when the Commission is in the process of drawing up further block exemptions to cover inter alia, slot allocation at airports and airport scheduling, which will enter into force on 1 January 1993.

The debate enabled progress to be achieved on certain questions, in particular airport co-ordinating conditions and special treatment for certain regional services.

Other major issues discussed, and needing to be examined in detail, concern in particular:

- the arrangements applying to air carriers from third countries;
- the definition of "new entrant";
- the application of the strict "use it or lose it" rule, accompanied by certain safeguards, instead of confiscation;
- the application of the principle of reciprocity with regard to the allocation of slots to Community air carriers wishing to match the new or expanded services operated by another Community carrier.

The Council instructed the Permanent Representatives Committee to continue its examination of these questions in the light of the debate and of the European Parliament's Opinion, in order that an agreement might be reached by the end of the year.

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The Commission also submitted the following texts:

- a proposal for a Regulation amending the Community code of conduct for the use of computerized reservation systems (CRSs);
- a proposal for a Directive on the definition and use of compatible technical standards and specifications for the purchase of air traffic control equipment and systems;
- a communication on external relations in the field of aviation.

The Council instructed the Permanent Representatives Committee to examine these initiatives in preparation for their discussion by the Ministers at the meeting in December.

MARITIME TRANSPORT

EUROS register

The Council discussed the steps to be taken to improve the competitiveness of Community fleets and in particular the proposal for a Regulation introducing a Community ship register (EUROS).

The Council instructed the Permanent Representatives Committee to press ahead with the examination of the proposal in preparation for a thorough discussion of it at the Transport Council meeting on 7 and 8 December 1992.
